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EXAMINER

BORLINGHAUS, JASON M

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 09/929,610	Applicant(s) SLOAN ET AL.	
	Examiner JASON M. BORLINGHAUS	Art Unit 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 18 November 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-5,8-15,18-24,27-33 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5,8-15,18-24 and 27-33 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Acknowledgements

The examiner for this application has changed. Please indicate Examiner Jason Borlinghaus as the examiner of record in all future correspondences.

Claim Objections

Claim 2 is objected to because of the following informalities: typographical error. Claim 2 states "wherein user income and expense history resident on external databases can be accessed by the model." (emphasis added). Examiner assumes Applicant intended the word "residing". Appropriate correction is required.

Claims 12 and 21 suffer from similar problems.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 31 – 33 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 31 claims "The electronic system of claim 29, further comprising a recommended financial products module providing a recommended product based on the generated financial advice." Claim 29 pertains to a computer program product, not an electronic system, and does not provide sufficient antecedent basis for the claim element of "the generated financial advice."

Claim 32 claims “wherein the recommended financial products module...when the financial product” (emphasis added). Claim 32 is dependent upon Claim 30, an independent claim. However, there is no previous mention of a recommended product module nor a recommended product.

Claim 33 claims “The electronic system of claim 29, further comprising .” Claim 29 pertains to a computer program product, not an electronic system.

Please examine all pending claims and, where required, correct appropriately.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 1 -5, 8 – 15, 18 – 24, 27 – 30 and 31 – 33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Atkins (US Patent 5,875,437) in view of Leemhuis (US Patent 6,470,325) and Sullivan (US Patent 6,615,240).

Regarding Claim 1, Atkins discloses a method for developing a long-term (over a defined time horizon) financial plan (suggestions) using a financial modeling and counseling (enhanced personal financial analysis, planning and management) system accessible over a wide area network such as the Internet (see abstract; col. 7, lines 26 – 30) comprising:

- projecting expected yearly income (forecast income) for a period of time based on user-provided historical financial information and external market data. (see col. 2, lines 44 – 49; Table 5; Table 8; col. 39, lines 20 – 27);
- said historical financial information (initial annual income) relating to user income and expenses. (see Table 5; col. 39, lines 20 – 27); and
- said external market data including at least one of interest rates and inflation rates (interest rates and inflation on asset accounts). (see Table 5; Table 8; col. 39, lines 20 – 27);
- projecting expected yearly expenses (forecast expenses) for said period of time based on the user-provided historical financial information and the external market data (liabilities. (see col. 2, lines 44 – 49; Table 4; Table 5; Table 8);
- providing investment coaching over the wide area network for any projected surplus of income over expenses (disposable income) or projected deficit of income over expenses (disposable income). (see Table 5; Table 8);

- said investment coaching including investment advice, tax advice, product recommendations, and additional information for recommended products. (see abstract); and
- wherein the investment coaching and financial coaching are each directly provided to a user through a customized automated coaching interface (MyNet interactive displays). (see col. 34, lines 36 – 49).

Atkins does not teach a method comprising coaching provided to the user through customized independent counseling from a live advisor; nor wherein access is provided according to a user-selected service level agreement selected from a plurality of available unique service level agreements, wherein each of the available unique service level agreements includes a unique combination of amounts of accessible customized automated coaching.

Sullivan discloses a method comprising coaching provided to the user through customized independent counseling from a live advisor (live help). (see abstract).

Leemhuis discloses a method wherein access (consultation) is provided according to a user-selected service level agreement (service contract) selected from a plurality of available unique service level agreements (service contracts), wherein each of the available unique service level agreements (service contracts' terms) includes a unique combination of amounts of accessible customized automated coaching (brokerage web site). (see col. 5, lines 32 – 51).

It would have been obvious to one of ordinary skill in the art at the time that the invention was made to have modified the automated coaching of Atkins

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to include the live advisor function of Sullivan because it would (1) increase the efficiency of the system for the user, (2) user satisfaction would increase and (3) the advisor system would benefit from increase efficiency. (see p. 8).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Atkins and Sullivan financial system with the service level agreement selection process of Leemhuis because the agreement would allow the customer to design the service level to their specifications. (see p. 9).

Regarding Claims 2 – 5 and 8 - 10, Atkins discloses a method wherein:

- user income and expense history residing on external databases can be accessed by the model. (see col. 31, lines 45 – 54; col. 35, lines 28 – 48);
- the user can introduce risk (probability) events into the model and perform a risk analysis (degree of risk/probability) based on the combination of the risk events (returns), the expected yearly income (income), and the expected yearly expenses (expenses). (see Table 5; Table 8; col. 49, line 19 – col. 50, line 16);
- the risk event includes at least one of market downturn (investment returns). (see Table 5; Table 8; col. 49, line 19 – col. 50, line 16);
- the model predicts and highlights potential cash flow surplus and cash flow shortage for the user. (see Table 5; Table 8);
- the financial model displays the aggregate cash flow in the form of a timeline over a defined period of time. (see Table 8);

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- each annual point of said timeline can be interactively dragged up and down on its vertical axis. (see col. 7, line 19 – col. 11, line 64); and
- the financial model recalculates the aggregated cash flow (repeats the process) based on the new positions of said annual points (updated financial variables). (see col. 53, lines 5 – 14).

Regarding Claims 11 – 15, 18 – 24 and 27 – 30, such claims recite substantially similar limitations as claimed in previously rejected claims. Such claim limitations are therefore rejected using the same art and rationale as previously utilized. Applicant is reminded that any argument contrary to such an interpretation is an indication of patentably distinct subject matter that may warrant a restriction requirement.

Regarding Claims 31 - 33, Atkins discloses a system further comprising:

a recommended financial products module providing a recommended product (recommended asset account) based on the generated financial advice. (see col. 27, lines 53 – 67);

wherein the recommended financial products module includes an information module that displays information (status) related to the recommended product (account) when the recommended product (account) is selected by the user. (see col. 25 – 45);

a ranking module (prioritization function) that receives a rank (priority) for each expense (liability account) of the user. (see abstract);

a shortfall (imbalance) determination module that (1) calculates one or more shortfall (imbalance) periods, and (2) determines whether there is a surplus or a deficit

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of funds (whether HOMEPW is greater than or equal to MIM) before each shortfall period. (see col. 47, lines 34 – 53); and

a surplus funds investment module that invests the surplus funds before each shortfall period based on whether the shortfall period is associated with the expenses of the user and the rank for each expense. (see abstract; col. 47, lines 54 – 61).

Response to Arguments

Applicant's arguments filed 11/18/08 have been fully considered but they are not persuasive.

§103 Rejection

Applicant asserts that the previous office action mailed on 8/20/08 "failed to establish a prima facie case of obviousness." Additionally, the Applicant asserts that that the "Office Action has neither properly determined the scope and content of the prior art nor properly ascertained the differences between the claimed invention and the prior art."

Examiner has examined the previous Office Action and is unable to locate such deficiencies, as none are specifically cited by the Applicant. The previous Office Action cites prior art, maps the cited prior art to elements of the claimed invention, discloses the elements of the claimed invention that are missing from the cited prior art and provides rationale for modification of the prior art to achieve the claimed invention.

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Perhaps Applicant took issue with the writing style of the previous Examiner. Therefore, Examiner has rewritten the previous §103 rejection contained in the Office Action mailed on 8/20/08 utilizing the same grounds of rejection and the same prior art to more properly communicate the rejection.

Applicant also asserted that the previous office action "failed to articulate a reason why the prior art would have rendered the claimed invention obvious to one of ordinary skill in the art."

However, the previous office action clearly states:

It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to have modified the automated coaching of Atkins to include the live advisor function of Sullivan because it would (1) increase the efficiency of the system for the user, (2) user satisfaction would increase and (3) the advisor system would benefit from increase efficiency. (see p. 8).

It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to have modified the Atkins and Sullivan financial system with the service level agreement selection process of Leemhuis because the agreement would allow the customer to design the service level to their specifications. (see p. 9).

Examiner is unable to understand the Applicant's assertion that the Office Action failed to articulate a motivation to combine the elements of the prior art to achieve the claimed invention, as it would appear that the previous Examiner clearly articulated her rationale.

On this note, the Courts have stated that "[w]hen a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, §103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art

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would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill." *KSR Int'l Co. v. Teleflex, Inc.* 127 S. Ct. 1727, 1740, 92 USPQ2d 1385, 1396 (2007).

In the instant case, the cited prior art references were available in the field at the time of the purported invention. The Applicant merely implemented a variation of the existing elements present within the prior art in establishing his/her own invention, either through substitution and/or combination of such prior existing elements. Where, as here "[an application] claims a structure already known in the prior art that is altered by the mere substitution of one element for another known in the field, the combination must do more than yield a predictable result," *KSR*, 127 S.Ct. at 1740, 82 USPQ2d at 1395 (citing *United States v. Adams*, 383 U.S. 50-51, 148 USPQ 479, 483 (1966)).

Furthermore, in the instant case, each incorporated element performs the same function and/or provides the same utility as intended in their original state, and therefore yields a predictable result.

Perhaps Applicant is asserting that despite the communicated motivation to combine it would not have been obvious to combine which is different matter. However, Applicant has failed to state a rationale or reason for why it would not have been obvious to one of ordinary skill to have modified the cited prior art to achieve the claimed invention.

Applicant argues that cited prior art, Atkins, fails to teach "providing financial coaching" as recited in independent claim 1.

Atkins states:

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Through a prioritization function, the client specifies her financial objectives, her risk preference, and budgetary constraints. **The prioritization function automatically suggests to the individual a portfolio of asset and liability accounts that may be credited and/or debited to provide the required funds for consumption and to form investments and borrowing to best realize her financial objectives over a defined time horizon.** If desired, the system automatically manages a client's budgetary and financial affairs through a system of expert sweeps based on a client's preferences. The client's accounts are monitored via a borrowing power baseline, and considered imbalanced if the client's borrowing power is less than the minimum borrowing power. If the account is imbalanced, the client may reallocate the assets and liabilities within the client account and/or modify a set of constraints on the client account. If the client account is still not balanced after modification of the account, the system will deny authorization for certain requested transactions, and may initiate the liquidation of certain asset accounts and reduce the balances of one or more liability accounts. (emphasis added – see abstract).

Atkins discloses the provision of financial coaching (financial suggestions).

Applicant argues that Atkins does not teach nor suggest “providing financial coaching...for any projected deficit of income over expenses.”

First, such claim limitation recites an immaterial claim limitation, as such claim language indicates that the recited steps are optional, in that they may or may not be performed. Specifically, the claim limitation indicates that the financial coaching is conditional upon the presence of “any projected deficit”. As there may or may not be “any projected deficit”, there may or may not be any “financial coaching.”

As matter of linguistic precision, optional claim elements do not narrow claim limitations, since they can always be omitted. The Courts have held that actions which may or may not be performed are indefinite and do not distinguish the claim from the prior art. *In re Collier*, 158 USPQ 266 (CCPA 1968). Therefore, such a claim limitation is immaterial as it neither expands nor narrows the scope of the claim(s), and such claim language fails to particularly point out and distinctly claim the subject matter of the invention.

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Atkins calculates a projected income after expenses (disposable income). (see Table 8). Based upon the expenses, the projection calculations may indicate a surplus of income over expenses or a deficit over expenses. While Atkins does not explicitly state such, this is implicit in any projection calculations performed in Atkins.

Atkins also states:

Through a prioritization function, the client specifies her financial objectives, her risk preference, and budgetary constraints. The prioritization function automatically suggests to the individual a portfolio of asset and liability accounts that may be credited and/or debited to provide the required funds for consumption and to form investments and borrowing to best realize her financial objectives over a defined time horizon. If desired, the system automatically manages a client's budgetary and financial affairs through a system of expert sweeps based on a client's preferences. **The client's accounts are monitored via a borrowing power baseline, and considered imbalanced if the client's borrowing power is less than the minimum borrowing power. If the account is imbalanced, the client may reallocate the assets and liabilities within the client account and/or modify a set of constraints on the client account. If the client account is still not balanced after modification of the account, the system will deny authorization for certain requested transactions, and may initiate the liquidation of certain asset accounts and reduce the balances of one or more liability accounts.** (emphasis added – see abstract).

Atkins suggests that should a projected deficit of income over expenses be generated, that the provision of financial coaching is provided to achieve the user's consumption goals, such as through liquidation of certain asset accounts.

Applicant also argues that Atkins does not teach nor suggest "said financial coaching including tax advice, business funding advice, spending advice and investment portfolio balancing advice."

Atkins states:

Through a prioritization function, the client specifies her financial objectives, her risk preference, and budgetary constraints. **The prioritization function automatically suggests to the individual a portfolio of asset and liability accounts that may be credited and/or debited to provide the required funds**

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for consumption and to form investments and borrowing to best realize her financial objectives over a defined time horizon. If desired, the system automatically manages a client's budgetary and financial affairs through a system of expert sweeps based on a client's preferences. The client's accounts are monitored via a borrowing power baseline, and considered imbalanced if the client's borrowing power is less than the minimum borrowing power. If the account is imbalanced, the client may **reallocate the assets and liabilities** within the client account and/or modify a set of constraints on the client account. If the client account is still not balanced after modification of the account, the system will deny authorization for certain requested transactions, and may initiate the liquidation of certain asset accounts and reduce the balances of one or more liability accounts. (emphasis added – see abstract).

The system of the present invention utilizes various optimization techniques, for example, stochastic programming, and offers the consumer the benefits of an objective expert advisor at a very low cost. Such expert can provide her with an integrated financial plan that is frequently updated together with financial management tools such as expert account sweep features that automatically allocate funds in accordance with the plan. **In addition, an analysis of current returns on asset accounts and costs of liabilities after consideration of applicable taxes and transaction costs may be provided.** This system advantageously results in tremendous time savings to the individual consumer by allowing her to avoid much of the work currently required to coordinate and monitor her assets and liabilities. (emphasis added – lines 36 – 49).

Atkins discloses that said financial coaching including tax advice (asset analysis incorporating tax analysis), business funding (borrowing) advice, spending (consumption) advice and investment portfolio balancing (reallocate assets and liabilities) advice.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JASON M. BORLINGHAUS whose telephone number is (571)272-6924. The examiner can normally be reached on Monday - Friday; 9am - 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on (571)272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/
Supervisory Patent Examiner, Art Unit 3693

/Jason M Borlinghaus/
Examiner, Art Unit 3693
March 2, 2009